

## Treasurer's Self Help Kit - Checklist

The treasurer plays a critical role in the operations of all not for profit organizations. A not for profit organization without a solid financial basis will lurch from crisis to crisis.

Assuming no new income is collected as a general rule it is prudent to have enough cash at bank to meet expenses and payments for the next 6 months.

Apart from presenting the financial statements to the board on a periodic basis and presenting the annual financial statements to the members at the Annual General Meeting the treasurer's main role is to ensure corporate governance issues are addressed at board and management level.

Where a President, committee or management has grandiose plans it is often left to the treasurer to raise the governance and funding risk issues.

Most Presidents and Committee members see the board's role as a supporter and builder of the organization. However the board also needs to embrace its governance role which is not as exciting and as stimulating growing the organization. Where the board is unwilling to address the governance issues the treasurer may need seek assistance from external advisers such as the auditors.

It is beneficial for the treasurer to have some background in finance, banking, accounting and legal matters. Where the skill set of the treasurer is limited external advisers should be used to bring the treasurer up to speed and to guide the treasurer in the fulfillment of his duties.

Every treasurer needs to be aware that fraud and embezzlement can occur in the best run organizations. The treasurer needs to approach issues from a skeptical point of view, asks questions, challenges things that appear strange and investigates where necessary.

By categorizing agenda items as either a management issue or a governance issue and ensuring that the board makes governance issues an explicit part of the meeting will ensure that the board allows adequate time to discuss and address governance issues.

Bi annual police and credit reference checks for all committee and staff members who have the ability to electronically transfer funds or sign cheques is recommended.

The preparation of projected profit & loss statements and projected cash flows is highly recommended as it will highlight possible future cash flow issues. Also comparing actual against budget and investigating variances makes it more difficult for frauds and embezzlements to occur.

Larger not for profit organizations should consider establishing a risk committee. Where a risk committee is not established the Treasurer should determine the 7 areas of high risk and possible fraud. The treasurer should document the parameters of each area and formulate policies and procedures to reduce the risk in each area.

On completion of the annual audit the Treasurer should present the Auditor's management letter to the board and ensure all board members understand the issues raised. It is normal procedure to implement the auditor's recommendations as soon as possible. Non implementation may compromise director's liability insurance policies.

## Treasurer's Self Help Kit - Checklist

Checklist Item	Yes	No	Not Required	Comments
Prepares, reviews & presents periodic finance reports at committee meeting	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Prepares, reviews projected profit & loss statement and projected cash flows to ensure the organization can pay its bills as and when they fall due.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Brings the board's attention to important financial matters.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Organizes the preparation of annual financial statements and liaises with auditors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Ensures all other statutory financial reporting and other obligations are completed.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Presents annual financial statements to the members at the AGM	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Identifies the 7 most risky areas of the organization and implements procedures and policies to reduce the risk.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Ensures financial electronic passwords and cheque signatories are adequate.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Approaches issues from a skeptical point of view, asks questions, challenges things that appear strange and investigates where necessary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Raises issues with the President, Chief Executive Officer and the auditor where necessary.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	